

Addressing the Issue of Long Term Care as Baby Boomers Age

**House Senior Health Security &
Retirement Committee**

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Michigan Department of Community Mental Health**

Baby Boomers & LTC

- Baby Boomers were born between 1946 and 1964. In 2006, the oldest of the baby boomers turned 60 years old.
- By 2040, Baby Boomers:
 - Over age 65 will double by 2040, to 77.2 M
 - Over age 85 will more than triple, to 14.3 M
- Those over the age of 65 who will need LTC will increase from 8.5M in 2000 to 12.1 million in 2040

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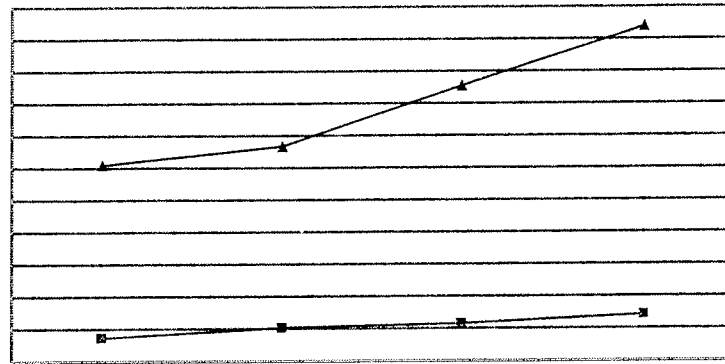
In Michigan

- Michigan's elderly population age 65 and older will grow:
 - 12.3% in 2000
 - 13.4% in 2010
 - 17.2 % in 2020
 - 20.9% in 2030
- The elderly population 85 years and older is projected to double between 2000 and 2030
 - 1.4% in 2000
 - 2.1% in 2010
 - 2.3% in 2020
 - 2.9% in 2030

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Michigan's Elderly Population

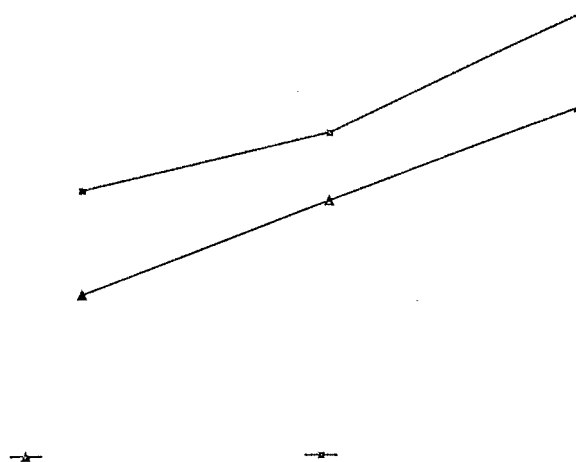
Population Estimates for Persons 65 + and 85 + Years of Age 2000 – 2030



* Source: U. S. Census Population Estimates, 2005

Michigan's Elderly Population

Cumulative Percent Change in Estimated Persons 65 + and 85 + Years of Age 2000 – 2030



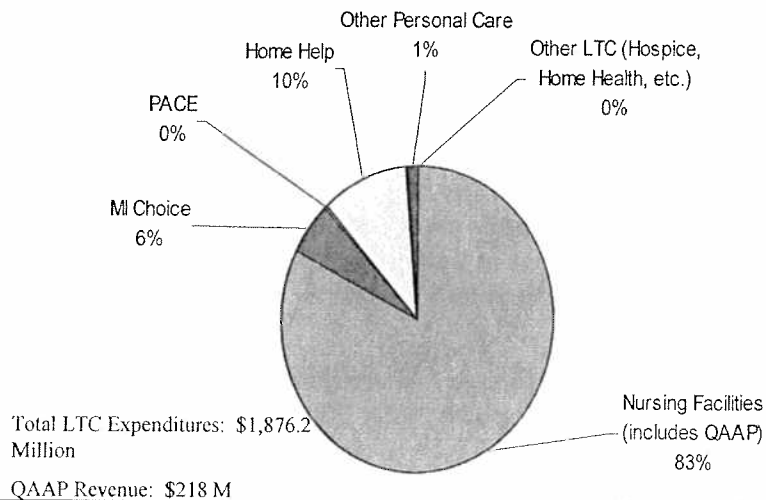
* Source: U. S. Census Population Estimates, 2005⁵

Further Perspective

- Somewhat fortunately the level of extended impairment (morbidity) is dropping, getting closer to the point of death. People who are elderly are staying healthy longer, with major impairments coinciding more with end of life.
- Earlier intervention and earlier disease management is reducing the effects of chronic disease on the need for care-giving until later in its course.
- Alzheimer's disease and dementia estimates will affect the type of LTC that people will need.

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FY 2006 LTC Expenditures



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GOVERNORS LONG-TERM CARE TASK FORCE May 2005

- Require and Implement Person-Centered Planning Practices.
 - Improve Access by Adopting “Money Follows the Person” Principles.
 - Establish Single Point of Entry Agencies for Consumers.
 - Strengthen the Array of Services and Supports.
 - Support, implement, and sustain prevention activities through (1) community health principles, (2) caregiver support and injury control, and (3) chronic care management and palliative care programs.
- Promote Meaningful Consumer Participation and Education by Creating a Long-Term Care Commission and Informing the Public about the Available Array of Long-Term Care Options.
 - *Establish a New Quality Management System*
 - Michigan should build and sustain culturally competent, highly valued, competitively compensated and knowledgeable long term care workforce teams.
 - Adapt Financing Structures that Maximize Resources, Promote Consumer Incentives, and Decrease Fraud.

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Governor’s Executive Order 2005-14 June 2005

- The *Office of Long-Term Care Supports and Services* is created within the Department of Community Health to oversee all LTC policy and coordinate and organize LTC services
- A *Long-Term Care Supports & Services Advisory Commission* composed of a majority of consumer representatives shall be formed to advise on LTC policy.
- At least *three Single Point of Entry demonstration projects* shall be developed by July 2006.

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Actions to Address The Future

- **Single Points of Entry**
 - Provide an avenue for individuals and families to be better prepared
 - Serve as a gatekeeper for service access
 - Support individual choice based upon preferences and capacities
 - Follow those who need LTC along over the course of their LTC
- **Single Points of Entry need to expand beyond the demonstration projects and provide assistance across Michigan**
- **Expand home & community-based options to assure that those with companionship and supervision needs are provided with specialized residential care, rather than medical care**
- **Improve family support activities: Respite, Day Care**
- **Assure that individuals and families have support and encouragement to plan for their future LTC needs.**

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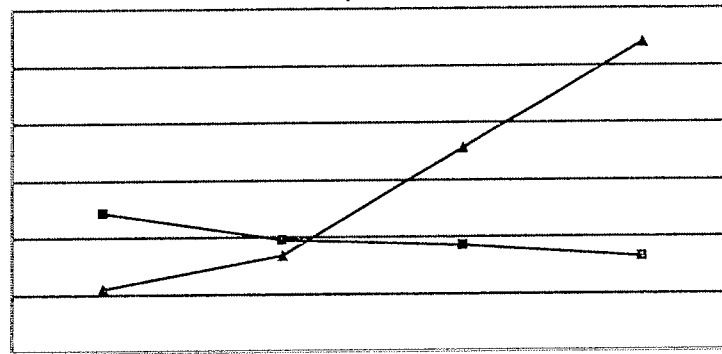
The Care Giver Shortage

- **The number of potential care givers is dwindling.**
- **Michigan suffers from low wages and high turnover for paid caregivers.**
- **Need to enhance Certified Nurse Aide (CNA) curriculum, and negotiate with Feds for waiver to cover low wage direct care workers with health care.**
- **After 2010, a care giver gap is expected so that as the elder population grows, the number of younger workers available to care for them is expected to decline.**

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Michigan's Caregiver Gap

Population Estimates for Women of Care giving Age and the Elderly
2000 – 2030



* Source: U. S. Census Population Estimates, 2003²

Informal Care Givers

- Family has traditionally been the source of care-giving.
- The annual economic value of this informal care -giving is estimated at \$13.4 billion in Michigan alone.
- Recent AARP estimates of informal care-giving in MI put that amount at 1,280,000 which is nearly 13% of Michigan's population.

Consumer Choice & Control

- Person-Centered Planning is central to LTC reform
- Supporting informed individual choice that aims to best address personal preferences is the goal
- Home and Community-based service options that support independent control over the selection and direction of providers have been shown to be highly desired
- Michigan is a “Cash & Counseling” replication state, developing options for consumer choice and control over services in the MI Choice Waiver
- Michigan’s option is termed “Self-Determination in Long-Term Care”
- Currently over 70 individuals in four MI Choice Waiver sites are controlling their services, directing the funds for their care to providers who work for them.
- In FY 2008, this option will be expanded across all of the MI Choice Program.

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